

SENATOR HALL PRESIDING

SENATOR HALL: Thank you, Senator Withem. Mr. Clerk, an amendment to the committee amendment.

CLERK: Mr. President, Senators Warner, Withem and others would move to amend. AM1516. (The amendment is found on page 1613 of the Legislative Journal.)

SENATOR HALL: Senator Warner, on the amendment to the committee amendments.

SENATOR WARNER: Mr. President and members of the Legislature, these two amendments were, as you heard the Clerk read, are not "committee amendments" but they are amendments that are signed by the members of the Revenue Committee, and it includes provisions of two bills that were LB 70 and LB 284. LB 70 dealt with agriculture oxygen tax exemption. Very minimal impact in terms of dollars but the tax policy that's involved, in fact, it's only a 4,000 dollar estimated reduction of revenue, but the tax policy, based on the hearing and the material that was presented to us was a bill introduced by Senator Baack, but the addition of oxygen in some of these areas where they are growing fish commercially for food sale, it actually is a, as a practical matter, I guess, you would almost consider it as a feed component, that is when the oxygen was added the...the weight, the utilization of the fish for the...and the growing ability by the...of the fish is substantially enhanced, as other additives might be more common if you were thinking of livestock, it enhances their rate of gain and the growth of the animal. And the basis for the exemption then is comparable to what we used in other feed stuffs. The other...the other portion of the amendment is a bill which we've had before, deals with the newspaper ad supplements for a sales tax exemption. They were exempt for many years, then with a ruling, well, they were exempt depending on how they were delivered, still would be, I guess, if they were delivered to the...to the newspaper for distribution, but as it has worked out, in some cases, with changes that past practice doesn't hold. The tax policy basis for this is that the newspaper advertising supplement does, in fact, become a component part of the paper and that would be consistent then with the tax policy for exemption and it would be consistent with some of the other similar forms of advertising then that currently does not have sales tax applied. Many of these items are very large in terms of dollar impact.